

**Date:** August 13, 2008**To:** City Manager for Council Action**From:** John C. Roukema, Director of Electric Utility**Subject:** Approval of a Call Agreement with National Resource Management, Inc. and Call No. 08-1 for an Express Refrigeration Third Party Energy Efficiency Program**EXECUTIVE SUMMARY:**

In accordance with Public Utilities Code (PUC) Section 385 covering Public Benefits Charge, and with the City's Public Benefits Program Policy Statement adopted by Council on May 12, 1998, staff has developed a wide range of cost-effective energy efficiency and renewable energy programs for customers. State law requires that the utility spend a minimum of 2.85% of retail revenue on these programs, in order to incent customer investments by reducing the payback period in these areas. Staff proposes entering into a Call Agreement and Call No. 08-1 with National Resource Management, Inc. for a Third Party Energy Efficiency Program which will deliver energy efficiency measures such as refrigeration controls, motors, and LED lights to customers with commercial refrigeration equipment. The program is uniquely designed to provide all of the incentive grants to offset the costs of the equipment yet still fall well within the cost effectiveness goals for SVP. Total cost for this program will not exceed \$250,000.00. A copy of the Call Agreement, Call No. 08-1 and Scope of Work are available for review in the Council Offices.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

This program, already offered in multiple markets across the United States, has proven to be an effective way to motivate hard to reach businesses and help them install energy efficiency measures at low or no cost to the customer. Significant savings can be found in the area of refrigeration; therefore customers who participate in this program will use energy more efficiently. Finally, the City of Santa Clara is required by state law to spend 2.85% of electric revenues on energy efficiency, renewable energy, low income, and electric research projects. This program helps to achieve that requirement.

ECONOMIC/FISCAL IMPACT:

Funding for this program will come from the Public Benefits Charge. Total cost of this pilot program will not exceed \$250,000.00, and there are sufficient funds available in Contractual Services, Not Classified [Account 191-1312-87870-(I)9688-(F)94100].

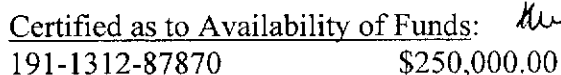
RECOMMENDATION:

That Council approve, and authorize the City Manager to execute, a Call Agreement with National Resource Management, Inc., and Call No. 08-1, in an amount not to exceed \$250,000.00, for the Express Refrigeration Third Party Energy Efficiency Program.


John C. Roukema, Director of Electric Utility

APPROVED:


Jennifer Sparacino, City Manager


Certified as to Availability of Funds: on file
191-1312-87870 \$250,000.00


Mary Ann Parrot, Director of Finance

MAJORITY VOTE OF COUNCIL

Documents Related to this Report:

- 1) Call Agreement with National Resource Management, Inc.
- 2) Call No. 08-1 with National Resource Management, Inc. and Scope of Work

CITY OF SANTA CLARA
AGENDA MATERIAL ROUTE SHEET

Council Date: September 16, 2008

SUBJECT: Approval of Call Agreement with National Resource Management, Inc. and Call No. 08-1 for an Express Refrigeration Third Party Energy Efficiency Program

CERTIFICATION

The proposed Call Agreement and Call No. 08-1 with National Resource Management, Inc.

Regarding: Express Refrigeration Third Party Energy Efficiency Program

has been reviewed and is hereby certified.

PUBLICATION REQUIRED:

The attached Notice/Resolution/Ordinance is to be published ____ time(s) at least ____ days before the scheduled meeting/public hearing/bid opening/etc., which is scheduled for _____, 2008.

AUTHORITY SOURCE FOR PUBLICATION REQUIREMENT:

Federal Codes:

Title _____ U.S.C. § _____
(Titles run 1 through 50)

California Codes:

Code _____ § _____
(i.e., Government, Street and Highway, Public Resources)

Federal Regulations:

Title _____ C.F.R. § _____
(Titles run 1 through 50)

California Regulations:

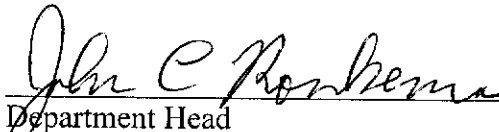
Title _____ California Code of Regulations § _____
(Titles run 1 through 28)

City

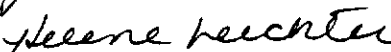
City Charter § _____ (i.e., 1310. Public Works Contracts. Notice published at least once at least ten days before bid opening)

City Code § _____

1. As to City Functions, by


Department Head

2. As to Legality, by

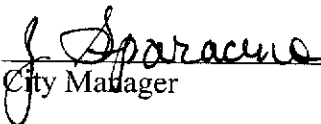


City Attorney's Office/CAO Assignment No. 08. 1187

3. As to Environmental
Impact Requirements, by

Director of Planning and Inspection

4. As to Substance, by


City Manager